

5557--A

Cal. No. 168

2011-2012 Regular Sessions

I N S E N A T E

June 1, 2011

Introduced by Sen. GALLIVAN -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommended to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property tax law, in relation to a partial tax exemption for new residential construction or improvements to qualified residential structures in certain towns

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The real property tax law is amended by adding a new
2 section 421-1 to read as follows:
3 S 421-1. EXEMPTION OF NEW CONSTRUCTION AND IMPROVEMENTS TO RESIDENTIAL
4 BUILDINGS IN CERTAIN TOWNS. 1. RESIDENTIAL BUILDINGS SITUATED WITHIN A
5 TOWN WITH A POPULATION OF NOT LESS THAN SEVENTEEN THOUSAND FIVE HUNDRED
6 NINETY-FOUR AND NOT MORE THAN SEVENTEEN THOUSAND SIX HUNDRED FOURTEEN,
7 SITUATED IN A COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED
8 FORTY-NINE THOUSAND TWO HUNDRED SIXTY-FIVE AND NOT MORE THAN NINE
9 HUNDRED FIFTY-ONE THOUSAND TWO HUNDRED SIXTY-FIVE, BASED UPON THE TWO
10 THOUSAND FEDERAL CENSUS THAT HOUSE ONE TO THREE FAMILIES AND WHICH HAVE
11 BEEN NEWLY CONSTRUCTED OR IMPROVED SUBSEQUENT TO THE EFFECTIVE DATE OF A
12 LOCAL LAW OR RESOLUTION PASSED BY THE GOVERNING BOARD OF SUCH TOWN AFTER
13 PUBLIC HEARING PURSUANT TO THIS SECTION SHALL BE EXEMPT FROM TAXATION
14 AND SPECIAL AD VALOREM LEVIES TO THE EXTENT PROVIDED HEREINAFTER. A COPY
15 OF SUCH LOCAL LAW OR RESOLUTION SHALL BE FILED WITH THE COMMISSIONER AND
16 THE ASSESSOR OF SUCH TOWN.
17 2. SUCH RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF ONE
18 YEAR TO THE EXTENT OF FIFTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE
19 THEREOF ATTRIBUTABLE TO SUCH CONSTRUCTION OR IMPROVEMENT AND FOR AN
20 ADDITIONAL PERIOD OF FOUR YEARS SUBJECT TO THE FOLLOWING:

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD11781-03-2

(I) THE EXTENT OF SUCH EXEMPTION SHALL BE DECREASED BY TEN PER CENTUM OF THE "EXEMPTION BASE" EACH YEAR DURING SUCH ADDITIONAL FOUR-YEAR PERIOD, SUCH THAT DURING YEAR TWO THERE SHALL BE AN EXEMPTION OF FORTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE, DURING YEAR THREE THERE SHALL BE AN EXEMPTION OF THIRTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE, IN YEAR FOUR THERE SHALL BE AN EXEMPTION OF TWENTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE AND IN YEAR FIVE THERE SHALL BE AN EXEMPTION OF TEN PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE;

(II) THE "EXEMPTION BASE" SHALL BE THE INCREASE IN ASSESSED VALUE DUE TO NEW CONSTRUCTION OR IMPROVEMENTS AS DETERMINED BY THE ASSESSOR IN THE INITIAL YEAR OF SUCH FIVE-YEAR PERIOD FOLLOWING THE FILING OF AN ORIGINAL APPLICATION;

(III) A QUALIFIED IMPROVEMENT SHALL HAVE INCREASED THE ASSESSED VALUE OF THE REAL PROPERTY BY AT LEAST TEN THOUSAND DOLLARS, WITH A MAXIMUM PERMITTED EXEMPTION NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS; AND

(IV) AN EXEMPTION FOR NEW CONSTRUCTION SHALL APPLY TO THE ASSESSED VALUE OF THE REAL PROPERTY IN EXCESS OF ONE HUNDRED THOUSAND DOLLARS, WITH A MAXIMUM PERMITTED EXEMPTION NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS.

3. FOR PURPOSES OF THIS SECTION, "CONSTRUCTION" OR "IMPROVEMENT" SHALL NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

4. EXEMPTIONS GRANTED PURSUANT TO THIS SECTION SHALL APPLY TO REAL PROPERTY TAXES IMPOSED FOR TOWN, VILLAGE AND SCHOOL DISTRICT PURPOSES.

5. ANY OWNER OF A ONE TO THREE FAMILY RESIDENCE WITHIN A TOWN WITH A POPULATION OF NOT LESS THAN SEVENTEEN THOUSAND FIVE HUNDRED NINETY-FOUR AND NOT MORE THAN SEVENTEEN THOUSAND SIX HUNDRED FOURTEEN, SITUATED IN A COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED FORTY-NINE THOUSAND TWO HUNDRED SIXTY-FIVE AND NOT MORE THAN NINE HUNDRED FIFTY-ONE THOUSAND TWO HUNDRED SIXTY-FIVE, BASED UPON THE TWO THOUSAND FEDERAL CENSUS SHALL QUALIFY FOR AN EXEMPTION PURSUANT TO THIS SECTION, INCLUDING OWNERS WHO DO NOT OCCUPY SUCH RESIDENCES, INDIVIDUALS, PARTNERSHIPS AND LIMITED LIABILITY CORPORATIONS. EXEMPTIONS GRANTED PURSUANT TO THIS SECTION ARE NOT TRANSFERABLE FROM OWNER TO ANOTHER IF THE REAL PROPERTY IS SOLD OR TRANSFERRED DURING THE EXEMPTION PERIOD.

6. NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

(A) SUCH NEW CONSTRUCTION OR IMPROVEMENT WAS COMMENCED SUBSEQUENT TO THE EFFECTIVE DATE OF THE LOCAL LAW OR RESOLUTION ADOPTED BY SUCH TOWN WITH A POPULATION OF NOT LESS THAN SEVENTEEN THOUSAND FIVE HUNDRED NINETY-FOUR AND NOT MORE THAN SEVENTEEN THOUSAND SIX HUNDRED FOURTEEN, SITUATED IN A COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED FORTY-NINE THOUSAND TWO HUNDRED SIXTY-FIVE AND NOT MORE THAN NINE HUNDRED FIFTY-ONE THOUSAND TWO HUNDRED SIXTY-FIVE, BASED UPON THE TWO THOUSAND FEDERAL CENSUS PURSUANT TO SUBDIVISION ONE OF THIS SECTION;

(B) THE OWNER OF REAL PROPERTY APPLYING FOR SUCH EXEMPTION HAS SATISFIED ALL OUTSTANDING TOWN, COUNTY AND SCHOOL TAX OBLIGATIONS; AND

(C) SUCH NEW CONSTRUCTION OR IMPROVEMENT IS DOCUMENTED BY A BUILDING PERMIT, IF REQUIRED, FOR THE IMPROVEMENTS OR OTHER APPROPRIATE DOCUMENTATION AS REQUIRED BY THE TOWN ASSESSOR AND/OR CODE ENFORCEMENT OFFICER.

7. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE COMMISSIONER. SUCH APPLICATION SHALL BE FILED WITH THE ASSESSOR ON OR BEFORE THE APPROPRIATE TAXABLE STATUS DATE OF SUCH TOWN AND WITHIN ONE YEAR AFTER THE DATE OF COMPLETION OF SUCH CONSTRUCTION OR IMPROVEMENT.

1 8. IF SATISFIED THAT THE APPLICANT IS ENTITLED TO AN EXEMPTION PURSU-
2 ANT TO THIS SECTION, THE ASSESSOR SHALL APPROVE THE APPLICATION AND SUCH
3 BUILDING SHALL THEREAFTER BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM
4 LEVIES BY THE TOWN AS PROVIDED IN THIS SECTION COMMENCING WITH THE
5 ASSESSMENT ROLL PREPARED ON THE BASIS OF THE TAXABLE STATUS DATE
6 REFERRED TO IN SUBDIVISION SEVEN OF THIS SECTION. THE ASSESSOR SHALL
7 ENTER THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS
8 SECTION ON THE ASSESSMENT ROLL FOR THE TAXABLE PROPERTY, WITH THE AMOUNT
9 OF THE EXEMPTION SHOWN IN A SEPARATE COLUMN.

10 9. IN THE EVENT THAT REAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO
11 THIS SECTION CEASES TO BE USED PRIMARILY FOR ELIGIBLE PURPOSES, THE
12 EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

13 10. SUCH TOWN SHALL BE PERMITTED BY LOCAL LAW TO REDUCE THE PERCENTAGE
14 OF EXEMPTION OTHERWISE ALLOWABLE BY SUBDIVISION TWO OF THIS SECTION OR
15 INCREASE THE REQUIRED MINIMUM ASSESSED VALUES SET FORTH IN PARAGRAPHS
16 (III) AND (IV) OF SUBDIVISION TWO OF THIS SECTION, PROVIDED THAT A
17 PROJECT IN THE COURSE OF CONSTRUCTION OR IMPROVEMENT SHALL NOT BE
18 SUBJECT TO SUCH AMENDMENTS.

19 S 2. This act shall take effect immediately.